

# Framework for Decisions

## Introduction

Washington, DC is one of the most beautiful and important cities in the world. Not only a city of monuments and historic sites, of power and politics, Washington is home to a diverse population and an increasingly diverse economy. This diversity reflects and symbolizes the city's hopes for the new millennium.

Almost 20 years ago, a visionary plan for Downtown DC, commonly referred to as the "Living Downtown Plan," foresaw much of today's downtown development and called for a diverse, mixed-use downtown. The Plan envisioned a city center with retail uses focused on F Street, Gallery Place and Chinatown; with new arts uses along 7th Street; and with significant new housing in the Penn Quarter and at Mount Vernon Square. Despite the vision of the Living Downtown Plan, the last economic boom left in its wake a strong office environment, but not a dynamic downtown.

Today, we have a rare opportunity to finally achieve this vision of a living downtown. The city finds itself in a moment where unprecedented economic prosperity, political cohesion, and development momentum have converged. The ability to shape the future is strong. This moment must be seized to create a great center for our great city; one that is a cultural as well as economic asset, and is enjoyed by a variety of users. Only a collective effort by both public and private sectors will ensure that this opportunity is not squandered. The Downtown Action Agenda is an imperative first step toward guiding collective public and private energies to achieve Downtown's potential.

At the core of the Downtown Action Agenda are three underlying goals: First, to refine the vision of a vibrant, mixed-use "living" downtown. Second, to establish direction for new growth to include emerging districts to the east and improve links to other city neighborhoods. Finally, to identify strategic actions to be taken by public and private sectors to maximize their collective resources and sustain Downtown's current economic momentum.

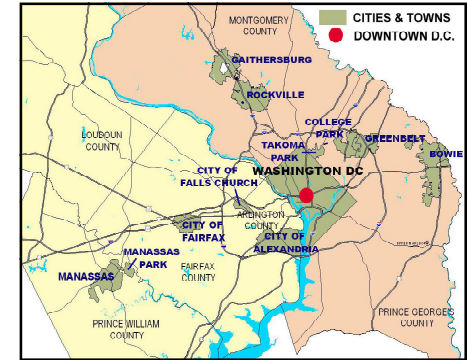
### A City Center for Washingtonians

The Action Agenda aims to make central Washington not only a focal point for the region and the nation, but for the city and its neighborhoods. Downtown already plays an important role as the office and employment core for the region. It is the center of an urban office market which is the nation's second largest. It is also a center of national culture, with the country's densest concentration of museum space contained within the National Mall and surrounding area. Downtown must now be strengthened as an urban center and heart of activity within the city itself. To do this, the area's residential and retail base must be restored and recent development synergy reinforced.

Such synergy includes extending the cluster of new residential units being developed along the 7th Street corridor northward to create a new residential neighborhood in Mount Vernon Triangle. It also includes facilitating the current eastward expansion of the traditional office core to best enhance eastern districts. Finally, it involves strengthening connections to nearby assets such as the Southwest Waterfront, which is located only seven blocks from Downtown, and the National Mall.



Current Downtown Development Synergy



Downtown in the region



Downtown Washington DC



*MCI Center*



*Washington Convention Center*

## Recent Successes in Downtown DC

The Action Agenda takes into account important successes that downtown has witnessed in recent years:

- The re-ignition of the downtown office market, where dozens of new class-A office buildings have been constructed in recent years;
- The construction of the MCI Center, home to the Washington Capitals, Wizards, and Mystics, and host to more than 200 events each year;
- The groundbreaking for Lincoln Square and Gallery Place, two projects that will add 30 movie screens and scores of new retail outlets into the downtown mix;
- The construction of the new Washington Convention Center at Mount Vernon Square, which will soon be the nation's eighth largest convention facility.
- The resurgence of the downtown housing market, with more than 800 units now slated for development; and
- The announcement that the Newseum, an internationally known interactive museum of news, intends to develop a new state-of-the-art facility in Downtown DC.

These projects are changing the face of downtown. They have brought new life and energy, and they are spurring even more new development.

## Downtown's Challenges

Yet to maximize opportunity and achieve the vision outlined in this Action Agenda, a number of development challenges must be addressed:

- Downtown is almost fully built out. Within the next 5-10 years, the remaining 1.9 million square feet of developable land will be absorbed;
- The scarcity of space has created some of the highest rents in the country. These rent levels make it difficult to support a mix of retail, residential and arts uses in the downtown;
- The demand for space also threatens downtown's remaining stock of historic buildings, which give downtown its character and sense of place;
- Steps should be taken to bolster housing development south of Massachu-

setts Avenue and create true urban neighborhoods;

- Parts of the downtown environment are cold and uninviting, and there continue to be significant impediments to downtown circulation; and
- To take advantage of the current real estate market, public officials must soon make decisions on key sites throughout the downtown, including the existing convention center site.

## The Economic Potential of Downtown

Despite such challenges, Downtown Washington continues to act as the economic, cultural and social core of the city and the region. Located here are more than 70 million square feet of office space (twenty percent of the region's total), 2 million square feet of retail, nearly 7,000 hotel rooms, 3,000 residential units, the Convention Center, the MCI Center, four national museums, and two courthouses. Approximately 120,000 people work downtown each day; 8 stations handle more than 25 percent of all Metrorail traffic; and downtown businesses generate about 30 percent of the city's gross domestic product. A mixture of uses provides the highest economic, as well as quality-of-life benefit to the District:

- Retail uses provide 1 1/2 times the tax value of office uses to the District, on a per square foot basis;
- Each downtown resident typically contributes ten percent of his or her income to the District tax rolls;
- Attendance at live DC cultural events exceeds attendance at local sporting events. Downtown arts and sports venues together attract more than 8.9 million visitors each year.
- Occupancy and room rates at downtown hotels have risen in each of the past three years, and are the second highest in the nation.
- The downtown vacancy rate for class A office space is 5.1 percent, among the lowest in the nation.

Yet downtown's economic potential is still largely untapped. As the table on the following page illustrates, the realization of downtown DC's latent economic potential would generate more than 20,000 new jobs and more than \$112 million in new tax revenue annually.



Category	Goal	New Workers	Tax Benefits
Residential	7,600 new units	9,100 total new residents/ 2,500 new res. south of Mass Ave	\$30 million
Retail & Entertainment	1 million new s.f./ 700,000 repositioned	5,000	\$50 million
Arts & Culture	1,600 new seats	500	(Captured by Retail)
Hospitality & Tourism	1,500 new hotel rooms	1,000	\$12.5 million
Office Commercial	3.5-5 million new sq. ft.	15,000	\$20 million

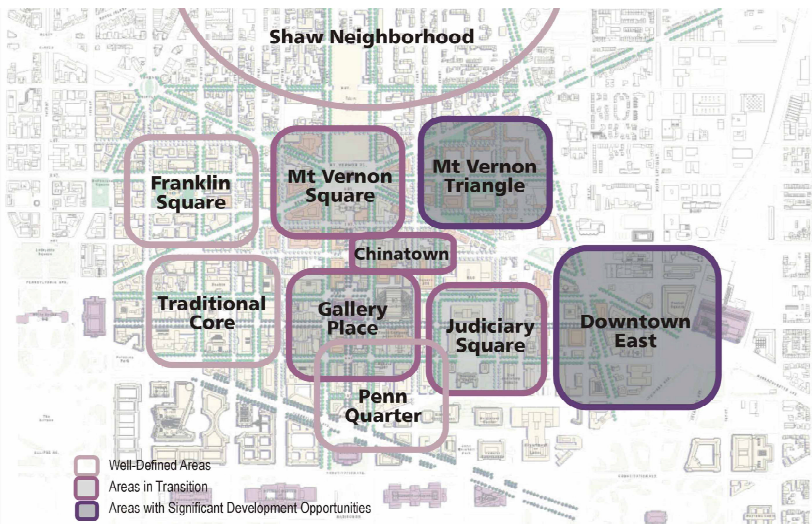
The Downtown Action Agenda is intended to provide a framework for decision-makers to begin to meet the challenges facing the city’s core and help reach its potential. It is structured around the key economic engines driving the downtown economy. These include commerce, hospitality, retailing, housing, and arts & culture. It attempts to integrate each of these economic drivers into a comprehensive land use plan, while reinforcing the identities of the various neighborhoods that comprise downtown DC.

Today’s Vision for Downtown DC

The Downtown Action Agenda is intended to guide downtown’s evolution in two ways. First, it seeks to establish a clear direction for future growth, so that emerging areas near the traditional downtown may establish their own unique identities instead of replicating existing development patterns. Secondly, it recognizes that all downtown neighborhoods need to be strengthened as vital and vibrant places.

Over the past decade, the character of downtown has rapidly evolved. Certain areas, such as Franklin Square, Penn Quarter, and Shaw are now well-defined communities - the first two are almost fully built out. Other areas, such as Mount Vernon Triangle or Downtown East, are rapidly evolving and contain significant development opportunities. The neighborhoods in between—Mount Vernon Square, Chinatown, and Gallery Place—are clearly in transition.

Because downtown is now almost fully built-out, the remaining development sites are of central importance: They represent a last opportunity to define neighborhoods and transform downtown into a true, multi-purpose destination — through the development of “preferred uses” such as housing, arts, and retail. The reuse of



the existing convention center site offers a critical, once-in-a-lifetime opportunity. Redevelopment of its 11 centrally located acres as a special destination with a dynamic mix of cultural and entertainment attractions, residential and retail uses, and civic open space would help complete downtown’s development as a living center.

The vision of a mixed use downtown, first articulated in the 1982 Living Downtown Plan, defined downtown as:

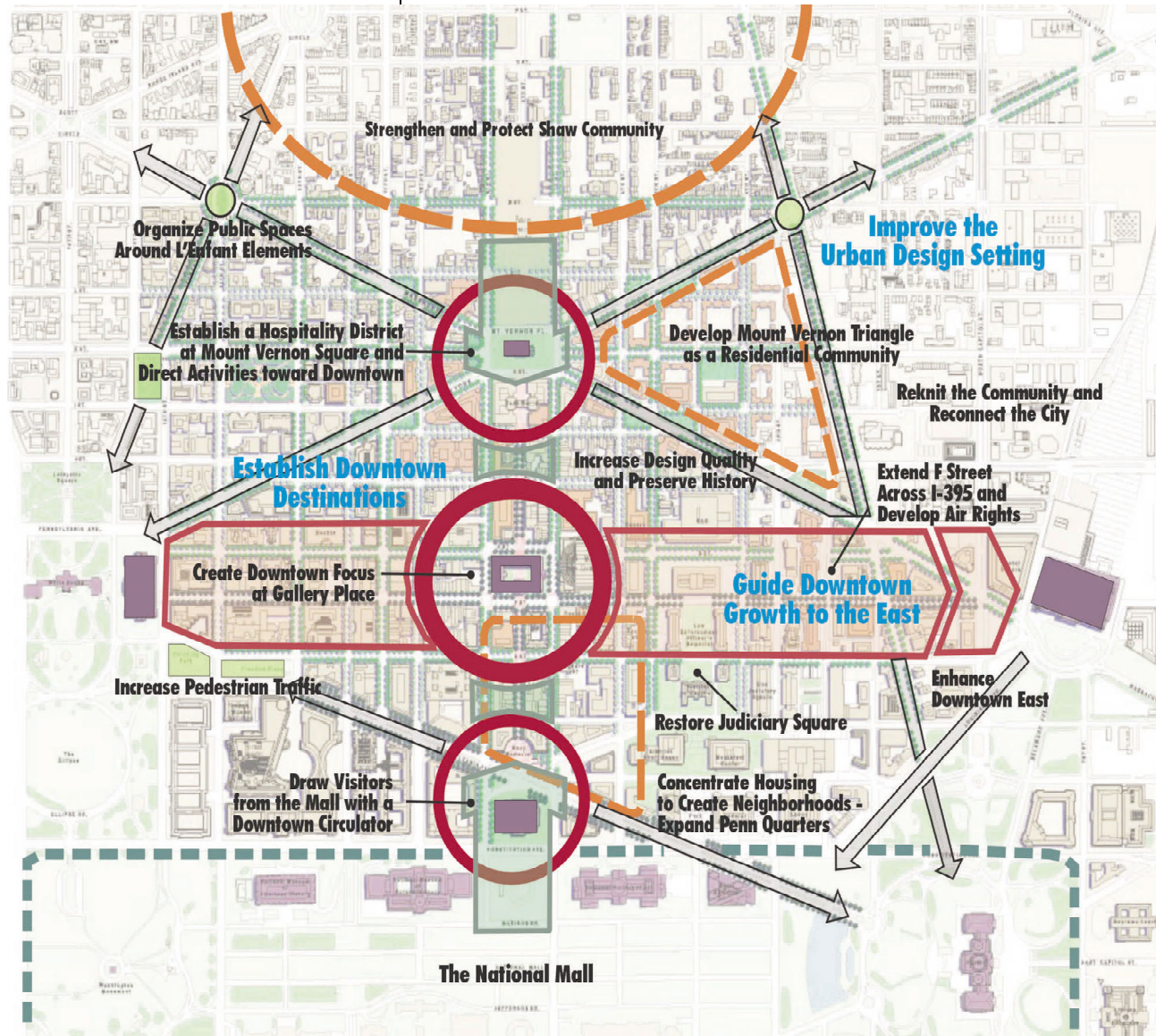
- The heart of a world-class capital city;
- The premier office, entertainment and cultural destination in the region;
- A vibrant complement to the destinations that surround it: the Capitol, the Mall and the White House;
- A neighborhood where residents add life to the center city.
- A clean, safe and lively place, serving a diverse clientele 18 hours a day.

This vision is reaffirmed and strengthened by the Downtown Action Agenda, which sees downtown as a multi-purpose destination: It is a retail center for shoppers, a cultural district for art patrons, a convention destination for visitors, an employment center for workers, a center for sports and theatrical entertainment, and the hub of the region’s transportation network. For downtown residents, it is home.



Outdoor cafes are a colorful complement to Downtown destinations





## Key Objectives

The Downtown Action Agenda has identified four objectives that must be achieved to realize this vision and to capture the full economic potential of downtown. These objectives are inter-related, and together form the foundation of the Action Agenda.

### Objective One: Maximize and Concentrate Downtown Housing

Downtown housing has been an objective for many years. Center-city residents generate pedestrian traffic—especially in the evenings and on weekends. They support local businesses, and contribute significantly to the tax base. As regional congestion becomes more acute, centrally-located housing will become more valuable. Many cities, including Chicago, Denver, and Baltimore have made downtown housing a lynchpin of their redevelopment strategies. In DC, new residential developments, especially in Mount Vernon Triangle, will generate the residential base that the downtown has long needed and wanted. Several strategies support downtown housing as a clear priority in this Downtown Action Agenda.

#### Core Strategies:

- Strengthen and protect Shaw from commercial encroachment and support homeownership for current residents with appropriate infill
- Develop Mount Vernon Triangle as a dense residential neighborhood
- Complete housing build-out south of Massachusetts Avenue
- Maximize housing on publicly owned sites. Include housing on the existing convention center site.

### Objective Two: Increase the Vitality of Street Life - Make Downtown a Great Place

High levels of pedestrian traffic are difficult to generate in a downtown as large as Washington's, but pedestrian counts are a critical barometer of success. To create a lively, active downtown, we must establish new destinations, and cluster downtown



attractions to create great streets filled with people 18 hours a day. While not every block in downtown can or should be a pedestrian destination, a strategic approach of pedestrian destinations linked by transit can create a lively, pedestrian-oriented downtown overall. Though significant, ongoing investment may be required to sustain high levels of pedestrian traffic, the larger tax revenues generated by increased street activity will be well worth the expense. Over the next 3-5 years, with new management initiatives, development incentives, and design improvements, the vitality of downtown DC's street life can be greatly improved.

**Core Strategies:**

- Create a focus for entertainment and retail at Gallery Place
- Strengthen the traditional retail corridor along F Street
- Improve the urban design setting through design initiatives and better public space management
- Improve the range of retail attractions, and provide ongoing support to downtown arts venues
- Create a new civic open space at the existing convention center site - a focal point for Washington residents to enjoy and celebrate downtown

**Objective Three: Provide Clear Direction for Downtown Growth and Development - New Development Areas**

Within the next three to five years, most observers expect that downtown—as presently defined—will approach build-out. To sustain its role as the center of the region's economic life, demand for commercial space must be accommodated in ways that retain or restore the important historic and residential resources at its boundaries. Within the next ten years, downtown will expand in two areas: Mount Vernon Square and Downtown East. These areas must be developed as vibrant places rather than single-use office districts - one primarily residential and one with a mixture of offices, retail, residential and cultural uses. The Downtown Action Agenda suggests several strategies to accommodate expansion and guide growth to connect the downtown to the rest of the city.

**Core Strategies:**

- Maximize preferred uses at the existing convention center site
- Establish a hospitality district at Mount Vernon Square
- Draw visitors from the Mall with a Downtown Circulator
- Extend F Street across I-395
- Encourage development of air rights over I-395
- Restore Judiciary Square to a dignified civic district
- Guide office expansion to Downtown East and residential development to Mount Vernon Square

**Objective Four: Connect Growth to District Residents and Downtown Neighborhoods**

Downtown growth should benefit District residents and neighborhoods. The new convention center, accompanying hotel developments, as well as new entertainment and cultural attractions all bring new service sector jobs to the city. Many of these are entry-level. Aggressive job placement and training approaches must accompany development strategies to ensure that District residents can take advantage of new opportunities. In addition to employment opportunities, a vibrant downtown with development on key sites creates tax revenues and other resources which can be used to support housing and improvements in the city's neighborhoods.

**Core Strategies:**

- Create a downtown job placement and training program
- Establish a downtown neighborhood housing trust fund and secure funding sources to capitalize this fund

To sustain its preeminent role in the regional economy, Downtown DC must respond to these challenges. In the following pages, the Downtown Action Agenda sets up a framework to expand the downtown economy while serving the social and economic needs of city residents. It identifies strategic actions that the public and private sectors can take to leverage their resources. Pursued in concert, these strategies will help Washington achieve its vision of an equitable, living downtown.



*The Downtown Action Agenda aims to increase the vitality of street life by establishing well designed spaces (top) and by generating pedestrian traffic (bottom).*